

AGREEMENT TO PROVIDE STUDENT TRANSPORTATION SERVICES

This Agreement, entered into this 12th day of June, 2000, by and between the CHARLESTON COUNTY SCHOOL DISTRICT, hereinafter called the District, BRUCE TRANSPORTATION GROUP, INC. (a division of FIRST GROUP OF AMERICA), doing business as FIRST STUDENT, hereinafter called the Contractor, and the SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION, hereinafter called SC-DOE.

WITNESSETH:

WHEREAS, the parties are desirous of providing for certain student transportation services for the students of Charleston County School District in accordance with the requirements of law and the terms and conditions provided for herein; and

WHEREAS, in response to the District's Request for Proposals, Contractor submitted a Proposal under which it would provide student transportation to the District pursuant to a contract; and

WHEREAS, this agreement is the contract negotiated by the parties setting forth the terms and conditions governing the services to be provided by Contractor hereunder,

NOW, THEREFORE, in consideration of the mutual promises of the parties, the covenants and conditions herein contained, and the mutual benefits to be derived herefrom, the parties agree as follows:

SECTION 1. DEFINITION OF TERMS

- 1.1 DISTRICT shall mean the Charleston County School District, whose address for notices is 75 Calhoun Street, Charleston, SC 29401.
- 1.2 SUPERINTENDENT shall mean the Superintendent of the Charleston County School District or his designee.
- 1.3 CONTRACTOR shall mean First Student, Inc., whose address for notices is 77 West Port Plaza, Suite 460, St. Louis, MO 63146.
- 1.4 SCHOOL BUS or BUS shall mean a school bus body and chassis which is licensed by the State of South Carolina (the "State") to operate as a school bus or as a school district activity bus and which meets all applicable State requirements.
- 1.5 SCHOOL BUS DRIVER or DRIVER shall mean a legally qualified school bus operator, licensed by the State, who is reasonably acceptable to both the Contractor and the School District.

District.

- 1.6 MONITOR or AIDE shall mean a person performing the duties performed by persons holding such designations for the District prior to commencement of this Agreement.
- 1.7 REGULAR DAILY RUN or REGULAR RUN shall mean any scheduled route which is established for the purpose of transporting students to and from school on a daily basis during the term of this Agreement.
- 1.8 VEHICLE shall refer to a School Bus or other vehicle acquired by Contractor from the District, the SC-DOE or otherwise, and used by the Contractor in the performance of this Agreement.
- 1.9 BELL TIME shall mean the times designated by the Superintendent when schools take in students in the A.M. and dismiss them in the P.M.
- 1.10 ROUTE shall mean the published bus stops and pick up and drop off times as established by the contractor and approved by the District and the SC-DOE for each bus as reported on the R-16 and R-17 SC-DOE forms (a bus may make more than one route a day).
- 1.11 BUS DAY shall mean the sum total of the A.M., mid-day and P.M. trips exclusive of permitted trips, e.g. field trips.
- 1.12 TRIP shall mean a completed route (a bus may make more than one trip a day).
- 1.13 VANDALISM/EXCESSIVE DAMAGE shall mean intentional damage to a school bus while it is parked or completing routes. Any damage to a school bus that is beyond the reasonably anticipated normal wear or any damage to a school bus when it is operated in violation of State Statutes and Regulations and SC-DOE operating procedures.
- 1.14 UNIT COST shall mean the rate per bus per day charged by the Contractor as set forth in Section 11 of this agreement.

SECTION 2. SCOPE OF THE WORK

- 2.1 DURING THE SCHOOL YEAR The Contractor hereby agrees to provide the student transportation services described in Exhibit "A" during the term of this Agreement. In providing those services, it is agreed that Contractor is operating as an independent contractor, subject only to the terms and conditions of this Agreement. All student transportation services provided by the Contractor hereunder shall comply with and be in accordance with all requirements of any applicable municipal, State, and federal laws, ordinances, rules and regulations and the terms and conditions of this Agreement. The Contractor shall provide the student transportation services in a safe, reasonable and prudent manner.

- 2.2 SUMMER SCHOOL. Beginning in the summer of 2000, if requested by the District, the Contractor shall provide school bus transportation for the District's summer programs. During the summer of 2000, the District shall pay to the Contractor \$117.02 per day per bus used during the summer for to and from school service on multiple routes. During subsequent summers, the District shall pay to the Contractor the unit cost effective for the prior school year. These payments will be in addition to those paid by the District for the regular school transportation.
- 2.2 TERM OF AGREEMENT. This Agreement shall commence and take effect on the first day that services are requested of the Contractor during the summer of 2000, or July 1, 2000, whichever is earlier, and end on June 30, 2005, or the last day of summer school in 2005, whichever is later. This Agreement may be extended for up to two (2) additional years upon mutual agreement of the parties to the terms and conditions for such extended period, with Superintendent approval and three (3) additional years upon mutual agreement of the parties to the terms and conditions for such extended period, with District Board approval. The parties may also negotiate rates and charges during any extension of this Agreement.

SECTION 3. BUS ROUTES AND SCHEDULES

- 3.1 The Contractor will be responsible for establishing the school bus routes beginning with the commencement of the 2000-01 school year. Contractor shall deliver proposed routes (route number, all stop locations, estimated number of passengers and start time for each route) to the District on or before July 7th of each year of the contract for District approval. The District will cooperate with the Contractor by approving the routes or suggesting needed changes in a reasonable and timely manner. However, the Contractor and Superintendent may agree to alter, modify, or amend the bus routes and/or stops along the way, to change or add bus routes, establish new bus routes and change time schedules for pick-ups and deliveries in order to meet changing conditions. Rules and regulations for details incidental to the operation of bus routes, bus stops and other attendant matters that may arise shall be mutually agreed upon. The District will place Special Education students on a route and Contractor will begin service to these students within three (3) days of notice of this placement by the District.
- 3.2 The Contractor shall require the bus drivers to adhere to routes and time schedules as established. Bus drivers who discover cause for route or time adjustment will report it to the Contractor, who will take the matter up with the Superintendent.
- 3.3 The Contractor will create all bus routes utilizing the EDULOG computer routing system unless the Superintendent agrees in writing to another routing system. The District currently has a five (5) year contract with EDULOG. The Contractor will pay the District's annual EDULOG maintenance fee, which for the 1999-2000 year was \$6,997.00. This fee increases yearly as per the District's contract with EDULOG. The

Contractor will produce and supply routes with maps to the District. The District shall provide timely accurate student data to the Contractor from the OSIRIS System, later to become the SASI System. The District's Contract Administrator's Office and the Director of Student Support Services shall have access to the EDULOG system, with reading rights only. In the event that either party at any time terminates the transportation contract, the EDULOG data base files, including the map, and software shall be remitted to the District and shall become the property of the District at no additional cost to the District.

- 3.4 All routes established by the Contractor are subject to approval by the District and the SC-DOE and must be in compliance with all applicable laws, as well as the requirements of this Agreement and of the District's RFP P0026. All routes for each new school year are to be submitted to the Superintendent by July 7th. The Contractor will be expected to publish the routes via the local newspaper prior to school opening. In addition, this information will be placed on an interactive Internet Web page. Parents should be able to access this information throughout the year for accurate stop locations and times. When routes change, the Superintendent, schools and parents should be notified in advance via written correspondence. The web page should be kept up to date as changes are made. Student and parent notification is the sole financial and managerial responsibility of the Contractor. The Annual Route Plan (SC-DOE Forms R-16, R-17, R-55, R-61 and R-63) must be completed and submitted to the SC-DOE no later than October 15th of each year. By December 1st of each year, the Contractor shall submit to the SC-DOE the following forms: R-19, R-18, R-4 and R-14. These reports and dates are subject to change by the SC-DOE. The Contractor is responsible for filing any and all reports required by SC-DOE.
- 3.5 The Contractor shall be available for periodic conferences with the Superintendent to discuss changes in the routes and schedules.
- 3.6 The District and/or the SC-DOE shall have the sole responsibility of altering, delaying or canceling bus service during inclement weather. The Contractor shall assist the District and/or the SC-DOE in any determination of whether runs should be canceled due to inclement weather. To this end, a specific person shall be designated by the Contractor, who shall remain available to the District for consultation on a daily basis. Contractor agrees to abide by the decision of the District and/or the SC-DOE to operate. In addition, Contractor shall be responsible for emergency evacuation, as set forth in the District RFP P0026, p. 11, ¶ 8.

SECTION 4. INSURANCE

- 4.1 The Contractor shall comply with all South Carolina vehicle liability laws and workers' compensation reporting requirements, regulations and procedures at all times. A valid Certificate of Insurance must be on file with the District at all times. The Contractor shall hold harmless and agree to indemnify the District and the State of South Carolina in the

event of any accident or incident involving the Contractor's vehicles or vehicles owned by the SC-DOE or the District that are being operated by the Contractor. With regard to SC-DOE or District owned buses, the Contractor shall not be liable if the sole cause of the negligence causing the accident or incident is a manufacturing defect or a maintenance defect caused by the District or the SC-DOE in their maintenance of the vehicles.

4.2 The Contractor will be required to maintain insurance satisfactory to the District to include at a minimum the following:

- (a) Workers' Compensation coverage on all employees as required by statute.
- (b) Commercial General Liability coverage in the minimum amount of \$15,000,000.
- (c) Automobile Liability coverage equal to \$1,000,000 per person and \$1,000,000 per incident.
- (d) Any insurance required by State or federal law or regulation.

4.3 Conditions:

- (a) All insurance certificates shall contain thirty (30) day notice of cancellation.
- (b) It is the obligation of the Contractor to obtain and furnish the District certificates for any sub-contractors subject to the above terms and conditions.
- (c) All insurance policies and/or bonds will be written with insurance companies licensed to do business in the State of South Carolina and subject to the approval of the District.
- (d) Commercial general liability and automobile liability policies must list the District and the SC-DOE as additional insureds.

4.4 The Contractor shall pay to the SC-DOE all damage fees stemming from vandalism incidents and for each \$500.00 per accident deductible, which is charged only if the driver is determined to have been at fault. This requirement is found in Part 1 B, Proviso, and Section 1.41 of the 1998-1999 State of South Carolina Appropriations Act. The District will assist the Contractor in recovery of damages from students in documented cases. The Contractor shall comply with the damage procedure established by the SC-DOE. The current procedure is set forth in Exhibit "C" hereto. If SC-DOE allows a different procedure to be followed, then the Contractor may follow that procedure.

SECTION 5. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

5.1 The Contractor shall indemnify, keep and hold harmless the State and the District, their agents, officials and employees against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, costs and expenses, which may in any way accrue against the District, the State or the cooperating agencies and in consequence of the Contractor's provision of, or failure to provide, services under this contract or which may in any way result therefrom, whether or not it shall be alleged that the act was caused

through negligence or omission of the Contractor or their employees, or of District employees supervised by the Contractor, and the Contractor shall, at his own expense, appear, defend and pay all attorneys' fees and costs and other expenses arising therefrom or incurred against the State and the District in any such action, and the Contractor shall, at its own expense, discharge same.

- 5.2 The Contractor expressly understands and agrees that any performance bond or insurance protection required by this contract, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless and to defend the State and the District as herein provided.

SECTION 6. VEHICLES

- 6.1 The District and SC-DOE shall furnish the buses and transportation equipment to the Contractor.
- 6.2 The District and SC-DOE shall deliver to the Contractor buses which shall meet state inspection standards. The SC-DOE will be responsible for all repairs and maintenance on all SC-DOE owned buses during the life of this Agreement. The SC-DOE and the District may enter into an agreement whereby the SC-DOE will agree to maintain District vehicles. If so, the District shall be responsible for reimbursing the SC-DOE for the cost of any repairs and maintenance to District buses as per maintenance agreement to be entered into between the two parties.
- 6.3 The Contractor shall maintain all Vehicles in a clean and sanitary condition.
- 6.4 The Contractor shall furnish to the District and the SC-DOE a complete written report of every accident involving any of the Vehicles.
- 6.5 The Contractor shall not fuel any vehicle while students are on board the vehicle.
- 6.6 The Contractor shall provide student and mileage information in order to assist the District in complying with applicable regulations. In addition, the Contractor will provide reasonable assistance to the District to assist it in completing and filing necessary reports to governmental bodies.
- 6.7 The SC-DOE will provide spare buses in the same percentage as the SC-DOE provides all other school districts in the State.
- 6.8 The Contractor may supply its own buses to transport District students. Such buses must comply with State requirements for school buses. The Contractor will adhere to the established fee schedule for the use of these buses.
- 6.9 All buses shall be equipped with two-way radios that are in working condition, installed

- according to State specifications. The District shall provide and own these radios.
- 6.10 During the course of the contract, the District will purchase and install mounted video camera boxes and ignition activated cameras in some or all of the buses. The Contractor shall, at a minimum, videotape every bus in daily service equipped with a camera on at least one route every other week unless directed to do otherwise by the District. All tapes shall be maintained for at least two weeks for District viewing purposes. The cameras and boxes shall remain the property of the District.
 - 6.11 The Contractor shall maintain all radios and cameras so that they are operational at all times; the Contractor is expected to establish a replacement cycle for this equipment, which will be purchased by the District.
 - 6.12 On any school bus transporting three (3) or more wheelchair students, the Contractor shall provide a bus monitor who will be on board at all times in accordance with SC-DOE Emergency Standards.
 - 6.13 Prior to commencement of operations, the Contractor and District shall jointly inventory all parts and supplies to be utilized in the District transportation operation.

SECTION 7. PERSONNEL

- 7.1 Current District bus drivers will be given the right of first refusal for employment with the Contractor in positions for which they qualify, subject to Contractor's conditions of employment. Current bus drivers employed by the District will be supervised by the Contractor. These drivers are to be employed on a full-time basis, with a minimum of thirty (30) hours of work per week in order to be eligible for benefits and retirement, at their current hourly rate or greater. Their payroll, including all wages, benefits and retirement allotments, shall be credited against the Contractor's monthly invoice. District bus drivers are accountable to the Contractor for performance. In the event that the Contractor determines that it must terminate a District bus driver, District personnel policies must be followed in a timely manner, including all due process procedures. Contractor shall inform the Superintendent of any such decision to terminate so that these policies can be followed.
- 7.2 Bus drivers must meet all applicable District, State and Federal requirements. Contractor shall provide an ongoing training program for Drivers, Monitors and Aides that includes completion of an initial training program and continuing or annual in-service training. A pre-employment drug-screening test is required for all bus drivers and shall be conducted in accordance with any applicable, Federal, State or local laws and regulations at Contractor's expense. Persons with certain criminal, serious, or repeat traffic convictions are not permitted to drive school buses. The Contractor, in cooperation with SC-DOE, will conduct pre-employment and quarterly traffic violation records checks, as well as SLED and reference checks prior to employment. Drivers and bus monitors charged with alcohol, drug, serious traffic violations and crimes involving moral turpitude will

immediately be suspended from service with the Contractor and the District. Only if found innocent of the charges may the driver be reinstated to a driving position.

- 7.3 Each Driver must have a physical examination in accordance with applicable State and Federal requirements, at Contractor's expense.
- 7.4 The Contractor shall be responsible for providing substitute Drivers. The District retains the right to request the removal from service under this Agreement of any Driver, who, in its opinion, is not qualified to operate a School Bus. All such requests will be made in writing and state the reason therefor. To the extent permitted by law, the District shall indemnify, defend and hold Contractor harmless from and against all claims, expenses, or liabilities by or to a removed Driver arising from the removal of that Driver based solely on the District's request.
- 7.5 The Superintendent retains the right to have the Contractor remove any employee from service under this Agreement so long as the request is in writing and states the reasons therefor.
- 7.6 The use of tobacco products is prohibited on any Vehicle.
- 7.7 The Contractor agrees to submit a list of proposed Drivers to the District at least thirty (30) days before the start of each school year under this Agreement. The District shall promptly notify Contractor of any proposed Drivers to which it objects and the parties shall meet to discuss those objections. Additionally, the Contractor agrees to furnish, upon request of the District, verification of criminal background checks for any employees involved in the performance of this Agreement to the District prior to hiring by Contractor.
- 7.8 The Contractor shall employ a qualified full-time manager and staff to supervise the providing of student transportation services under this Agreement, including supervisory staff to act in the capacity of a liaison between the District and the Contractor. Prior to the selection by the Contractor of the full-time manager, the Contractor shall provide three (3) candidates to be interviewed by the Superintendent who will provide input into the selection for that position. All staff assigned to work with the District shall be reasonably satisfactory to the District. Supervisory personnel shall be available to the Superintendent or his designee on site between normal hours of operation on each school day during the term of this Agreement. Contractor shall provide an accurate list of supervisors with their telephone numbers.
- 7.9 No unauthorized personnel or riders (i.e., Drivers' relatives or children) shall be allowed on any vehicles being used in the performance of this Agreement unless specific written authorization is provided therefor.
- 7.10 The Contractor shall not discriminate against any prospective or active employee because

of race, color, national origin, religious creed, sex, age, disability or marital status.

- 7.11 The Contractor agrees to make supervisory personnel and other staff available for reasonable community related inquiries upon reasonable request and notice from the District.
- 7.12 The Contractor shall provide a minimum of one (1) staff person whose primary responsibility shall be to attend IEP and/or Team Meetings when the transportation of a disabled or 504 child is being determined or changed. This person shall serve as the Contractor's liaison on Special Disabilities/504 issues between the District and the special education bus drivers.

SECTION 8. CONTRACTOR'S RESPONSIBILITIES AS TO BUS OPERATIONS / SUPERVISION OF STUDENTS

- 8.1 The Contractor must not overload buses regardless of size or rated capacity. Buses used to transport the disabled may not transport more wheel chairs than the number of approved tie-down positions. Contractor must comply with SC-DOE recommended maximum load for occupancy of buses as set forth in the SC-DOE School Bus Routing Manual. Regardless of percentages set forth in the SC-DOE manual, the District may require the rescheduling of a route if the quantity and size of the students being transported results in a potentially hazardous situation. Busloads may be changed to address discipline problems. Students at all times should be seated in such a manner as to benefit from compartmentalization safety features.
- 8.2 The Contractor agrees that Drivers shall not leave a Bus unattended at any time when students are on board.
- 8.3 The Contractor agrees that Drivers, Monitors, and Aides shall report student misconduct occurring on a Bus. Drivers, Monitors, and Aides shall be instructed and shall comply with the District's disciplinary policy for student misconduct and the procedure for disciplining students. The District shall instruct students regarding the Bus regulations and conduct rules.
- 8.4 The Contractor agrees that Drivers, Monitors, and Aides do not have authority to refuse any transportation to any eligible student. Matters, which may necessitate a withdrawal of eligibility for a student to ride a bus will be reported to, and handled through, the applicable school principal's office.
- 8.5 The Contractor is responsible to see that all students are seated and remain seated while the Bus is in operation.
- 8.7 The Contractor is responsible to see that there are no students on the bus when it is parked. Any Driver, whether employed by the District or the Contractor, who violates

- this section shall be subject to termination.
- 8.8 The Contractor shall monitor the ride times of all special education students.

SECTION 9. PROCUREMENT OF FUEL

- 9.1 The SC-DOE and/or the District shall be responsible for providing the fuel required for the performance of this Agreement, except for the SC-DOE buses which serve magnet school routes. The SC-DOE will be responsible for providing fuel for State owned buses only, except as agreed to between the SC-DOE and the District. The Contractor shall be responsible for purchasing and providing the fuel for those buses which amount is included in the magnet mileage figure charged by the SC-DOE.

SECTION 10. TERMINAL FACILITIES

- 10.1 Contractor shall provide its own administration facilities. The District shall provide an annual payment of \$48,000 during the life of this agreement to cover the cost of procuring these facilities. The District shall provide to the Contractor office space for the driver supervisors in each constituent district at no cost to the Contractor. Long distance telephone calls and use of District copiers by Contractor employees shall be applied as credits against the Contractor's monthly invoice.
- 10.2 The District shall provide parking for the school buses in accordance with State regulations. If the District leases space for use as parking, the Contractor expends funds to improve that space and the lease is terminated by the landlord prior to the end of the five (5) year term, the Contractor will be entitled to recover any fees collected by the District from the landlord for the improvements made by the Contractor.

SECTION 11. RATES AND CONDITIONS

- 11.1 Base Payments for 2000/2001 school year. For the 2000/2001 school year, the District shall pay to the Contractor the total base amount of \$6,749,331 for the contracted regular school bus transportation. This number is based on a 2000/2001 school year Unit Cost of \$115.73 per bus per day and the estimated need for 191 regular route buses, 80 Special Education buses and 53 Magnet buses (324 buses). During the 2000/2001 school year, the Contractor has agreed to defer \$1,200,000 of the payment owed by the District until the 2002/2003, 2003/2004 and 2004/2005 school years. See Exhibit "B" for example of scheduled payments.
- 11.2 Payment for Administrative Facilities. Each year of the contract, the District shall add to the base payment the amount of \$48,000 to cover the cost of obtaining administrative office space for the Contractor. This amount shall not be subject to any increases during the term of this contract. This amount shall be due and payable in one lump sum thirty (30) days after the Contractor invoices the District in July for the upcoming school year. See Exhibit "B" for example of scheduled payments.

- 11.3 Performance Escalator. During each school year, each school principal will complete a monthly survey for each of the ten months during which school is in session. (A copy of this survey is attached hereto as Exhibit "D".) At the end of each school year, if the Contractor has received a performance score of four (4) or better on these surveys after averaging all of the overall scores from the monthly principal surveys, then the Contractor will be entitled to a lump sum payment equal to 0.67% of the annual contracted amount of the previous school year. If determined to be owed, this payment will be made after July 1 of each year. See Exhibit "B" for example of scheduled payments.
- 11.4 Base Payments during Successive Years of Contract. During successive years of the contract after the initial 2000/2001 school year, the District shall pay to the Contractor the base amount, plus a 2% increase. If the performance escalator has been awarded for the previous year, then the amount awarded shall be included in the base amount for the previous year, making a total possible increase of the base amount each year of 2.67% over the prior year. If the performance escalator is not awarded for the prior year, the base amount shall only increase by 2% during the next school year. The Unit Cost for each school year after the 2000/2001 school year shall increase based on the percentage increase for that year (2% or 2.67%). As in the 2000/2001 school year, the Contractor will defer \$1,200,000 of the payment owed by the District until the 2002/2003, 2003/2004 and 2004/2005 school years. See Exhibit "B" for example of scheduled payments.
- 11.5 Deferred Payments. During the 2000/2001 and 2001/2002 school years, the Contractor shall defer \$1,200,000 owed during each of those school years until the 2002/2003, 2003/2004 and 2004/2005 school years. If, at any time prior to the payment of the deferred amounts owed, the District terminates this agreement, the entire amount deferred shall become due and payable.
- 11.6 Payment of Deferred Payments. In addition to the payments owed to the Contractor during the 2002/2003, 2003/2004 and 2004/2005 school years, the District shall pay an additional \$800,000 each year to repay the Contractor for amounts owed and not paid during the first two years of the contract. See Exhibit "B" for example of scheduled payments.
- 11.7 Increases or Decreases in Buses Needed. The Contractor shall make every effort to use the smallest number of buses necessary to transport the students in the District. For each school year covered under this contract, if the Contractor is able to transport the District's students on 191 regular route buses, 80 Special Education buses and 53 Magnet buses (324 total buses), then the base rate paid by the District will not change. If, as of the 45-day count, there is an increase or decrease in the number of buses over or under the 324 agreed-upon total, then the base rate for that school year will either increase or decrease based on the Unit Cost for the buses in use that school year times 180 days. See Exhibit "B" for example of scheduled payments.

- 11.8 Summer School. For summer school transportation, the Unit Cost for summer school transportation shall be \$117.02 per bus for the summer of 2000. In subsequent summers, this amount shall increase by 2%, plus an additional .67% if the performance escalator is awarded to the Contractor. District shall pay the unit cost for every bus actually used.
- 11.9 School Sponsored Extracurricular Trips. The Contractor shall provide transportation for school sponsored extracurricular trips between the hours of 9:00 A.M. and 1:30 P.M., or other times so long as the trip does not interfere with regular to and from school bus service. Whenever possible, the Contractor shall use District owned buses for these trips. When a SC-DOE bus is utilized, the SC-DOE permit procedure must be followed. The school requesting the bus for the trip is responsible for paying for an hourly driver fee, plus the mileage fee set by the SC-DOE for the use of its buses (currently \$.80 per mile). The Contractor shall collect the money from the school and pay the mileage fees to the owner of the bus being used (either the SC-DOE or the District). The hourly driver fees charged shall be \$15.00 per hour for SC-DOE and/or District buses. Contractor may use its buses for these trips with the prior approval of the school involved and charge a flat fee for the use of the bus. The fee for the use of Contractor buses shall be \$28.00 per hour for trips within Charleston County (2 hour minimum) and \$38.00 per hour for trips outside of Charleston County (2 hour minimum). These fees shall be increased by 2% every two (2) years of the contract (e.g., the hourly driver fees for SC-DOE and/or District buses will increase to \$15.30 during the 2002-2003 school year and to \$15.61 during the 2004-2005 school year). For further descriptions of the types of trips for which buses may be used, see District RFP P00026, p. 5, Section (E).
- 11.10 Time of Payment. The District will pay the Contractor for services provided on a monthly basis in arrears as provided in this contract. The District will make payment within thirty (30) days of receipt of the invoice. The District will apply credits, penalties and withholdings against the invoice with notification to the Contractor. The District shall pay to the Contractor the \$48,000 annual figure to cover costs of procuring administrative facilities within thirty (30) days after receiving invoice for same in July of each year prior to the upcoming school year.
- 11.11 Withholdings. In the event that documentation is presented to the Superintendent clearly indicating persistent nonperformance on the part of the Contractor, the District may withhold ten (10%) percent of the monthly payments due to the Contractor for non-performance per constituent district. If District determines to make such a withholding, it will notify Contractor in writing. When the performance meets District expectations as per the terms of this Contract, the withholding will be released .
- 11.12 Liquidated Damages. After the first twenty (20) school days of each school year, if the Contractor does not meet the terms and conditions of this agreement, the District will begin assessing damages, which shall be applied as non-refundable credits against the Contractor's monthly invoices. After the first twenty (20) school days of each school year, if, after

receiving written notice and two (2) days in which to correct its deficiencies, the Contractor fails to come into compliance, the following non-refundable credits shall be applied against the monthly invoice:

- (1) Consistent late buses a.m. and/or p.m.: \$150.00 per day per bus.
- (2) Number of students riding bus exceeds safe capacity (see #4, Section B of RFP P0026): \$150.00 per day per bus.
- (3) Failure to pick up or deliver a student with disabilities will result in a \$150.00 penalty per incident.
- (4) Ride time of a student with disabilities exceeds OCR mandate: \$150.00 per day per incident.
- (5) A bus which is late because of a need to refuel, or because it runs out of fuel en route. \$150 per incident shall be assessed.
- (6) Early departure of a bus from a scheduled stop. \$100 per incident shall be assessed.
- (7) Driver misses a stop on a route or fails to pick up student. \$100 per incident shall be assessed.
- (8) Failure of a driver to keep an up-to-date route sheet on board and on file with Contractor. \$100 per day shall be assessed.

In addition to the above, damages will also be assessed at the rate of \$100.00 per incident for each of the following violations of this contract with no prior notice, unless stated, to the Contractor:

- (9) Seat belts and other special equipment not used for special disabilities buses.
- (10) Bus without a two-way radio as required or a two-way radio not in proper working condition for any reason for three (3) working days.
- (11) Failure by dispatcher to immediately notify the District of an accident.
- (12) Failure to clean a bus interior and exterior after two days' notice.
- (13) Failure to turn in field trip permits to the SC-DOE bus shop within two (2) weeks.

In addition to the above, damages will also be assessed as set forth for each of the following violations of this contract with no prior notice to the Contractor:

- (14) \$150.00 shall be assessed for each morning trip missed (trips starting in the A.M.)
- (15) \$150.00 shall be assessed for each afternoon trip missed (trips starting in the P.M.)
- (16) School possesses documentation, which indicates confirmation of a field trip was received but no bus(es) arrived. Students were unable to attend the event. \$150.00 per day per bus.

- (17) In the event that a driver leaves the site of a field trip with the bus, resulting in damages being incurred by students or staff such as the theft of possessions, or the occurrence of an emergency which necessitates the early return to school, the Contractor will be held liable for all cost associated.

- 11.13 Credits due to the District. Throughout this Agreement, there are provisions allowing credits to the District on the monthly invoice submitted by the Contractor. These credits include, but are not limited to, payments by the District for District bus drivers, payments to transport medically fragile (up to a maximum of 25) students and emotionally handicapped (up to a maximum of 20) students, and liquidated damages.

SECTION 12. MISCELLANEOUS PROVISIONS

- 12.1 Assignment. This Agreement shall not be assigned by the parties hereto, without the written consent of the District, which consent shall not be unreasonably withheld or delayed. However, Contractor may assign this Agreement without such consent if the assignment is to a parent, subsidiary, related or affiliated company. At all times, the parent shall be ultimately responsible for the performance of this agreement.
- 12.2 Force Majeure. In the event the Contractor is unable to provide the transportation services herein specified because of any act of God, civil disturbance, fire, inclement weather, impassable roads (joint agreement required between the District and Contractor), riot, war, picketing, strike, labor dispute, governmental action or any condition or cause beyond Contractor's control, the District shall excuse Contractor from performance under this Contract during the period that Contractor is unable to perform. The District shall have the right to take over the operation of the Contractor's and SC-DOE buses during any such period of non-performance by the Contractor and may operate such buses with school employees or obtain services elsewhere until Contractor is able to resume its regular operations. The District shall reimburse the Contractor for the use of Contractor owned buses at the rate of \$120.00 per day per Contractor owned bus. If the period during which the Contractor is unable to perform exceeds thirty (30) days, the District may terminate this agreement. During any period of non-performance, the District shall have no other financial responsibilities to the Contractor other than for the use of any Contractor owned bus as set forth herein.
- 12.3 Notices. All notices required or permitted by this Agreement shall be in writing, signed by the party serving the notice, sent to the party at the address shown on page 1 hereof or to such other address as either party may have furnished to the other in writing as a place for the service of notice. Such notices shall be either deposited, postage prepaid, in the registered or certified United States mail, return receipt requested, or sent prepaid via air courier service and shall be deemed given when actually received at the address shown on the postal or air courier receipt.

- 12.4 Modification. No waivers, alterations, or modifications of this Agreement or any agreements in connection with it shall be valid unless in writing, approved by the District's Board of Trustees and duly executed by all parties.
- 12.5 Entire Agreement. This Agreement, including the Exhibits, the District RFP P00026 and the Contractor's Response to the District RFP, constitutes the entire agreement between the parties and will supersede all previous negotiations and commitments whether written or oral. If there is any disagreement between this Agreement and the RFP and/or the Contractor's response, this Agreement shall control and be binding.
- 12.6 Termination.
- (1) The District or the SC-DOE may terminate this contract on ninety (90) days written notice should they not have the necessary funding to make the required payments to the Contractor. The Contractor understands that funds for this contract are contingent on the availability of funds approved by the District's Board of Trustees. Such funds are appropriated on an annual basis. In the event, the funding is not provided or is inadequate, the continuation of this contract will be dependent on the District and the Contractor reaching a mutual written agreement as to adjustments in the service to be provided and the applicable rates.
 - (2) Any party may terminate this contract for cause after giving written notice of the defaults under the contract. The defaulting party shall have thirty (30) days to cure the default after receiving notice. If the default is not cured during that time period, then the non-defaulting party may terminate the contract on thirty (30) days' written notice of failure to cure. In case of contract termination for breach or default by Contractor, the District will secure replacement services from another firm or provide service itself for the remainder of the contract's duration. If the cost of the replacement service exceeds the cost of services under the rates in the contract, the excess cost will be charged to and collected from the Contractor and/or its sureties.
 - (3) In the event that the contract is terminated by either party, the SC-DOE will then have no further obligations under the Contract.
 - (4) In the event that the contract is terminated by either party prior to the completion of the five (5) year term, the Contractor shall be entitled to be paid any deferred payments which have been earned and not paid.
- 12.7 Performance Bond. The Contractor shall provide a performance bond for one hundred (100) percent of the annual contract amount to protect the District and/or the SC-DOE should the Contractor default in its performance under this Contract. The District shall only make use of this bond after the notice provisions of Paragraph 12.6(2) have been met.

- 12.8 Compliance with All Applicable Laws and Regulations. The Contractor agrees to comply with all applicable federal, state and local laws and regulations.
- 12.9 Records and Reports. The Contractor shall provide those reports and records, which may be reasonably requested by the District. All bus transportation records pertaining to the District of the Contractor shall be open to inspection by the Superintendent during regular business hours in the Contractor's office. Contractor shall provide any reports or records requested by the District in the format and on the form designated by the District. Contractor shall complete all required SC-DOE reports and shall provide copies to the Superintendent, when requested. Contractor shall maintain accurate and reliable records concerning the number of students transported and number of miles driven. Said records shall be compiled and maintained in the form required by the SC-DOE and shall be provided to the Superintendent in a timely manner. Contractor shall submit a daily driver status report to the Superintendent no later than 5:00 p.m. each day. This report shall list, per constituent district, the number of buses operated (a.m. and p.m.), the number of drivers present, absent, quit and on the bench.
- 12.10 SC-DOE Fees. Contractor shall pay SC-DOE monthly for the use of SC-DOE buses for which fees are required to be paid and to complete all related and/or required SC-DOE reports directly related to transporting District students to school. The Contractor shall be responsible for paying the following categories of fees and any others imposed by the SC-DOE: Magnet Miles, Dry Run, Hazardous, Garrett Vocational, Driver Returning Home, Summer, Damages, Field Trips and Accidents. These categories are described and explained in Attachment F to the District RFP P00026. If Contractor fails to pay the SC-DOE fees in a timely manner, then, after fifteen (15) days' written notice to Contractor, the District shall pay the SC-DOE fees and will take as a credit such amount paid on the next monthly payment owed to Contractor. Contractor and/or District are also responsible for other fees assessed by the SC-DOE in accordance with its fee schedule as appropriate.

IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

Witnessed:

Alice J. Paylor

Attest:

DISTRICT
CHARLESTON COUNTY SCHOOL DISTRICT

By: [Signature]

Title: Superintendent

CONTRACTOR
BRUCE TRANSPORTATION GROUP, INC.

Judy Dancy

By: Steve Heller

Title: Treasurer

FIRST STUDENT, INC.

By: John A. Elliott

Title: President

Witnessed:

SC-DOE

**SOUTH CAROLINA DEPARTMENT OF
EDUCATION**

July 5, 2000

By: Ang M. Jensen

Title: State Superintendent of Education

EXHIBIT "A"

TRANSPORTATION SERVICES CHARLESTON COUNTY SCHOOL DISTRICT FIRST STUDENT

The Contractor shall provide school bus transportation services for all District routes:

(A) Regular Routes. The District presently operates 183 regular route buses, which are owned, maintained, serviced and fueled by the SC-DOE. These buses predominantly serve specific attendance zones for neighborhood schools. They must be managed in accordance with State regulations, which govern stops, usage and capacity. The Contractor is required to safely maximize the use of regular route buses via the management of school bell times and setting up multiple tiers of trips.

(B) Special Education Routes. The Contractor shall be responsible for transporting approximately 1,100 students with disabilities. Most buses transporting these students operate within constituent district boundaries, but approximately ten (10) special education buses cross these boundaries. The Contractor will be required to transport three (3) year-old and up multiple disabled students, some of whom will need child safety restraining devices. Special vehicles, such as taxis and medical transport type vehicles, may be required instead of a school bus. The cost to the District of the use of such vehicles for up to a maximum of 25 medically fragile and 20 behavioral students, shall be applied as a credit against the contract amount every month. Service provided in these situations requires that equitable, timely and safe transportation be provided as stated in the Individualized Education Plan (IEP) for each special education student. The optimum ride time goal is to transport students with disabilities in the same amount of time as the average non-disabled student.

Special education students will be placed on special education routes through their IEP's. Ride time for each student cannot exceed one hour per trip A.M. or P.M. Contractor must comply with federal and state requirements. If the Contractor fails to meet the ride time requirement, the Superintendent will arrange timely consistent transportation for the affected child and the cost of such transportation shall be taken as a credit against the Contractor's monthly invoice.

There are students with disabilities who must be transported to school via non-emergency specialized transportation due to their medically fragile condition. If the Contractor cannot provide this service, then the cost shall be applied as a monthly credit against the Contractor's invoice.

Whenever a bus is running thirty(30) minutes or more behind schedule, the Contractor shall notify the parents of students assigned to the bus.

The Contractor shall provide alternate forms of transportation for students with an IEP or a 504 plan on file when said children are suspended from riding their normal bus route due to behavior.

(C) Magnet Routes. The Contractor must provide transportation to the District's twelve magnet programs having district-wide attendance zones. SC-DOE does not provide any funding for magnet drivers or buses. If the Contractor utilizes SC-DOE buses for these routes, the cost is currently eighty cents (\$.80) per mile subject to change on an annual basis, and the Contractor shall be responsible for paying for the drivers and the SC-DOE fees. Students on these routes are picked up from stops located within a one (1) to five (5) mile radius from their homes. The Contractor shall not pick up the first student on each of these routes prior to 6:00 A.M., and maximum ride time shall not exceed one hour and thirty minutes per A.M. or P.M. trip. These routes may be increased or decreased depending on District program changes and District Board policy.

(D) Student Instructional Field/Activity Trips. The Contractor shall provide transportation for school sponsored trips that do not interfere with the provision of the A.M. and P.M. school bus services.

(E) Transportation of Preschool Children. The Contractor shall use appropriate passenger restraining system as specified in the National Highway Traffic Safety Administration preschool transportation guidelines for transportation of preschool children. The District has car seats available at the Charleston Bus Shop.

EXHIBIT "B"

EXAMPLES OF PAYMENTS FOR TRANSPORTATION SERVICES Charleston County School District First Student, Inc.¹

2000/2001 SCHOOL YEAR

Contracted Transportation **\$6,749,331**

Less Deferred Payment due **-1,200,000**
during 3rd, 4th and 5th years of contract

**Total to be Paid to
Contractor by District
for Bus Services** **\$5,549,331**

Facility Cost **+ 48,000**

**Total to be Paid to
Contractor by District** **\$5,597,331**

Performance Escalator **\$ 45,221**
(\$6,749,331 X .0067)
(if earned)

¹All payments assume that the Contractor is able to transport the students using 191 regular buses, 80 special education buses and 53 magnet buses, plus or minus ten buses. If there is a decrease or increase of greater than 20 total buses, then the amount to be paid will be decreased or increased respectively based on the unit costs in effect. For example, if, during the 2000/2001 school year, the Contractor needs 200 regular buses, 85 special education buses and 55 magnet buses, an increase of 16 buses overall, then the Contractor will be paid by using the unit costs in effect and calculating $((200 \times \$116.08) + (85 \times \$115.25) + (55 \times \$115.20)) \times 180$ days. In this example, the compensation paid by the District to the Contractor would be \$7,082,685 rather than the \$6,749,331 stated in the example.

2001/2002 SCHOOL YEAR

Contracted Transportation	\$6,929,539	Contracted Transportation	
	\$6,884,318		
(if escalator awarded for prior year)		(if no escalator awarded)	
(\$6,749,331 X 1.0267)		(\$6,749,331 X 1.02)	
Less Deferred Payment due	-1,200,000	Less Deferred Payment due	
-1,200,000			
during 3 rd , 4 th and 5 th years of contract		during 3 rd , 4 th and 5 th years of	
contract			
Total to be Paid to		Total to be Paid to	
Contractor by District		Contractor by District	
for Bus Services	\$5,729,539	for Bus Services	\$5,684,318
Facility Cost	+ 48,000	Facility Cost	
		+ 48,000	
Total to be Paid to		Total to be Paid to	
Contractor by District	\$5,777,539	Contractor by District	\$5,732,318
Performance Escalator	\$ 46,428	Performance Escalator	\$ 46,125
(\$6,929,539 X .0067)		(\$6,884,318 X .0067)	

2002/2003 SCHOOL YEAR

Contracted Transportation	\$7,114,558
(if escalator awarded for prior years)	
(\$6,929,539 X 1.0267)	
Deferred Payment	+ 800,000
Facility Cost	+ 48,000
Total to be Paid to	
Contractor by District	\$7,962,558
Performance Escalator	\$ 47,668
(\$7,114,558 X .0067)	

2003/2004 SCHOOL YEAR

Contracted Transportation \$7,304,517
(if escalator awarded for prior years)
(\$7,114,558 X 1.0267)

Deferred Payment + 800,000

Facility Cost + 48,000

Total to be Paid to
Contractor by District \$8,152,517

Performance Escalator \$ 48,940
(\$7,304,517 X .0067)

2004/2005 SCHOOL YEAR

Contracted Transportation \$7,499,548
(if escalator awarded for prior years)
(\$7,304,517 X 1.0267)

Deferred Payment + 800,000

Facility Cost + 48,000

Total to be Paid to
Contractor by District \$8,347,548

Performance Escalator \$ 50,247
(\$7,499,517 X .0067)

EXHIBIT "C"



Dr. Barbara Stock Nielsen
State Superintendent of Education

STATE OF SOUTH CAROLINA DEPARTMENT OF EDUCATION

September 18, 1997

TO: Districts Superintendents

FROM: Donald N. Tudor, Senior Executive Assistant
Division of Support Services

SUBJECT: School Bus Damage Procedure

After more than a year of review and edits, the Department began, on July 1, 1997, the implementation of a new procedure to define and bring structure to the assignment of responsibility for damages to state-owned school buses. The new procedure will equitably review and assign responsibility for damages occurring to state-owned school buses. A State Mediation Panel will determine the final assignment of responsibility of disputed charges. This Panel will be composed of equal numbers of district and Department representatives. Should the responsibility for damages be assigned to the district, the new procedure establishes the process the Department will use to collect past due accounts.

During the past year, the Department has held numerous discussions about this procedure with district superintendents, business officials, and transportation supervisors/directors. In the event that you are not familiar with the procedure, a complete copy of the procedure is attached.

Should you have any questions concerning the procedure, please call the SDE Office of Transportation at 803-734-8244.

DNT/bc
Attachment

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SCHOOL BUS DAMAGE PROCEDURE

This procedure is established to ensure the equitable assessment of school bus damage responsibility. A school district on receipt of each school bus is required to assume full responsibility for all damages occurring to the school bus that are in excess of normal wear characteristics. Damages covered by State insurance shall be excluded from the responsibility of the district. The Department of Education shall provide a damage status assessment when each bus is issued to the district and shall advise the district of all chargeable damages that occur while the bus is being used by the district. The district shall be given the opportunity to negotiate damage responsibility and repair cost. A mediation process is provided to resolve disputes.

DEFINITION

Excessive Damage - Any damage to a school bus that is beyond the reasonably anticipated normal wear or any damage to a school bus when it is operated in violation of State statutes and Regulations, and SDE operating procedures.

SCHOOL BUS ISSUANCE/DAMAGE STATUS REPORT

Prior to the issuance of a school bus by a SDE County Supervisor, a representative of the district receiving the school bus shall be required to sign a Damage Status Report (see attached forms for conventional and Type D school buses). The Damage Status Report shall describe any exterior damage, interior damage, non-functionality of any lights and gauges, and the general operating condition of the engine, drivetrain, or other components. Prior to signing the Damage Status Report, the district's representative accompanied by an SDE representative shall be given an opportunity to inspect the school bus. The District representative and/or SDE representative shall make notations, using the Damage Status Report, of all visible or known damages to the school bus. Photographs or video taping devices may be used to supplement this Report. The district representative and the SDE representative shall sign the Damage Status Report. A copy of the Report shall be maintained in the vehicle's maintenance file at the SDE Maintenance Shop and a copy shall be given to the district representative.

DAMAGE ASSESSMENT DOCUMENTATION

In the event damages occur, the SDE representative shall notify the district representative that a school bus has received damages. To aid in the management of this procedure, the SDE requests that the district reports and explains damages immediately after they occur. The SDE representative shall complete a Damage Assessment Report (see attached form) detailing the damages to the school bus and estimating the cost of repair. The Damage Assessment Report shall contain a listing of all parts to be replaced and the associated parts cost, and a listing of all labor requirements and costs. The SDE shall use a labor rate equal to the average labor cost of an SDE Technician II. Each Damage Assessment

Report shall identify the vehicle involved, the responsible district, the circumstances producing the damage (if known), and an estimate of the total cost of repairs. A copy of the original "School Bus Damage Status Report" shall be enclosed with notations identifying the location and scope of the damage being assessed. The SDE shall make a photographic record of the damages when appropriate. A copy of the Damage Assessment Report shall be given to the district representative, and when the bus does not have to return to immediate route service, a review period of five work days shall be allotted for the district to review the damages before SDE initiates the repairs. During or before the review period, the district may request to make repairs using district personnel or contract services. The district shall be allowed to make the repair when the following conditions are met: the district request is timely; the repair work is done in compliance with SDE standards; the repair can be made in less or equal time than the SDE; and the repair does not remove the school bus from route service for a period greater than would be required if repaired by SDE. If the SDE makes the repairs in order to get the bus back into immediate service, prior to the district representative having reviewed the damage, all replaced parts shall be retained at the shop for viewing until the five day period has expired.

If the district disagrees with the Damage Assessment Report; the district may request that a review be conducted. The review process shall not be cause to delay the repair of a vehicle, but rather only to determine financial responsibility for the repair. The review process may involve three steps, beginning with the local SDE County Supervisor. If the matter cannot be resolved locally, the review may proceed to the Area/Lead County Supervisor level, and, then if necessary, the district may request State Mediation. For the purposes of this document, work days shall mean State employee work days.

REVIEW PROCESS

County Supervisor Review -- In the event the District representative disagrees with the Damage Assessment Report, the district may formally request a Review. The Review shall be requested in writing within fifteen (15) workdays of the issuance of the Damage Assessment Report. This request must be submitted to the County Supervisor. If the district does not request a County Supervisor Review, the original Damage Assessment Report shall be final. The SDE County Supervisor who has jurisdiction shall conduct the Review. The County Supervisor shall deny a request for Review if the Damage Assessment Report deals with damage for which State Mediation has already determined financial responsibility. When a Review is in order, the Review shall involve a scheduled meeting between the district representative and the SDE County Supervisor. A written record, shall be maintained by the County Supervisor, documenting all points of agreement and disagreement, how issues were resolved, and any issues that remained unresolved. Any negotiated adjustments to the Damage Assessment Report shall be immediately recorded by the County Supervisor. The Review by the County Supervisor shall be completed in ten (10) workdays from the date of the district's Review request. Any negotiated adjustments shall be documented by the preparation of an amended

Damage Assessment Report. This report shall be issued as the County Supervisor's Final Report. Every effort shall be made to reach an acceptable agreement between the district and SDE at this review level.

Area Review -- In the event that the County Supervisor Review did not satisfy the district, the district might request an Area Review. The district request for an Area Review shall be in writing and occur within five (5) workdays after the County Supervisor Final Report is issued. The Area Review shall be submitted to the Area/Lead County Supervisor. If an Area Review is not requested, the County Supervisor Review Damage Assessment Report shall be final. The Area/Lead County Supervisor may deny the request if the County Supervisor Damage Assessment Report deals with damage for which State Mediation has already determined financial responsibility. When a Review is in order, the Area Review shall be held within ten (10) workdays of receipt of the district request. The Area Review shall be a meeting between the district representative, the SDE County Supervisor and the Area/Lead County Supervisor. The record of the County Supervisor Review shall be submitted and made a part of the Area/Lead County Supervisor Area Review process. The Area/Lead County Supervisor shall maintain a written record of the Area Review meeting. This record shall document all points of agreement, disagreement, and how issues were resolved and any issues that remained unresolved. Any negotiated adjustments shall be documented by the preparation of an amended Damage Assessment Report, this report shall be issued as the Area Final Report. Every effort shall be made to reach an acceptable agreement between the district and SDE at the Area Review.

State Mediation -- In the event that an agreement is not reached during the Area Review, the district may request State Mediation by submitting a written request to the Chair for State Mediation. If no State Mediation is requested by the district within five (5) workdays after the issuance of the Area Final report, the Area Review Damage Assessment Report shall be final. The Chair of Mediation shall deny the review of an Area Damage Assessment Report, if the Report deals with damage for which State Mediation has already determined financial responsibility. When State Mediation is in order, the State Mediation Chair shall schedule a Mediation session within twenty (20) workdays of the district's request. The record of the County Supervisor Review and Area Review shall be submitted to the State Mediation Chair and made a part of the review process. Each State Mediation session shall be a meeting in which the district representative and the SDE representative shall present their findings. A written record shall be maintained by SDE. This record shall document all points of agreement and disagreement, how issues were resolved, and the final decision of the State Mediation session. The final decision of State Mediation requires a majority vote of the four voting Mediation members. In the event of a tie vote, the Chair shall be the deciding vote. The decision of each State Mediation session shall be documented by the preparation of a Final Damage Assessment Report. This report shall be issued as the State Final Report. Both the district and the SDE shall comply with the findings of State Mediation.

State Mediation Membership — Each mediation panel shall be composed of two District representatives and two SDE representatives. The Chairman or Vice Chairman of the South Carolina Pupil Transportation Association, whomever is a district employee, shall appoint a pool of District representatives, district transportation and business officials, whom may be called to sit on a State Mediation panel. The SDE Assistant Director for District Services shall select the two district representatives for each Mediation session from the pool of District Representatives. One district representative on each session shall represent the school district business officials and one shall represent the district student transportation program. The Senior Executive Assistant of Support Services shall appoint the SDE representatives. The Mediation Chair, the SDE Assistant Director for District Services, shall vote only in the event of a tie vote of the other four members of each Mediation session and shall act as Chair of each Mediation session. No Mediation member shall be directly associated with either the district requesting mediation or the SDE Maintenance Shop that prepared the original Damage Assessment Report.

Mediation Precedents — Findings by Mediation shall be used by the SDE as precedents for determining future damage responsibilities. These findings shall be published to all school districts and SDE maintenance shops. Records of all Damage Assessment Report amendments made by the County Supervisor, Lead/Area Supervisor or State Mediation shall be recorded by and filed with the SDE Assistant Director for District Services.

REIMBURSEMENT PROCESS

At the end of each month, and no later than the fifth of the next month, the County Supervisor shall prepare a Damage Assessment Financial Statement (Form M-64A, see attached form). This Statement shall summarize all damage charges, not previously invoiced, that have received district approval or that have become final as a result of the Mediation. This Statement and the associated final Damage Assessment Reports shall be submitted to the appropriate district designee. A copy of this Statement shall be submitted to the SDE Office of Finance. The district may request the SDE to process the payment of the invoiced amount as a direct transfer of funds from the district's accounts to the SDE Office of Transportation's Revenue account.

All FY 1997 amounts not received by July 1, 1997 shall be considered past due and shall be processed as follows:

PAST DUE SETTLEMENT

SDE shall be reimbursed for damages submitted on the Damage Assessment Financial Statement (Form M-64A). When payment for an obligation is not received within 30

days, the SDE Office of Finance shall notify the district that payment is past due. The District shall receive an additional notice should payment be more than 60 days past due. District payments more than 90 days past due shall result in the Office of Finance initiating the process as specified in South Carolina Code Section 11-9-75 (Suppl. 1996). The SDE shall request the State Treasurer to withhold an amount equivalent to the amount 90 days past due from the district's next State school transportation aid payment and deposit the amount in the Department to the Transportation operating account. This transfer of funds shall settle the district's related past due account.

AUDIT

Any part of this damage assessment, reimbursements process and past due settlement is subject to State and district audit.

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July 1, 1997

South Carolina Department of Education, Transportation

Damage to State Owned School Buses

Notice of Reimbursement Due

Form M-64A (Rev 1-96)

School Year 19__ - 19__

Month _____

School District _____

Bus Shop _____

Item	Date	Bus Number	School	Driver	Description of Damages	Appraisal Cost
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
Total Amount Due \$						

Date _____

County Supervisor _____

South Carolina Department of Education, Transportation

School Bus Damage Status Report

Maintenance Shop: _____

School Year: 19____19____

Bus #: _____

Odometer Reading: _____

The school bus identified above, has been inspected and with the exception of damages as indicated on this form, is in good condition and all required safety items are present.

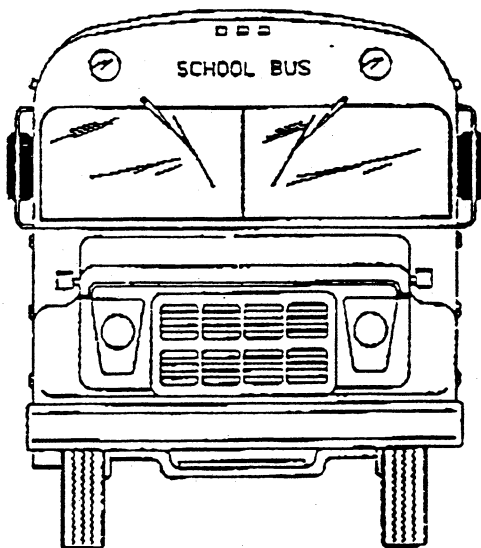
Bus Shop Supervisor: _____ Date: _____

District Official: _____ Date: _____

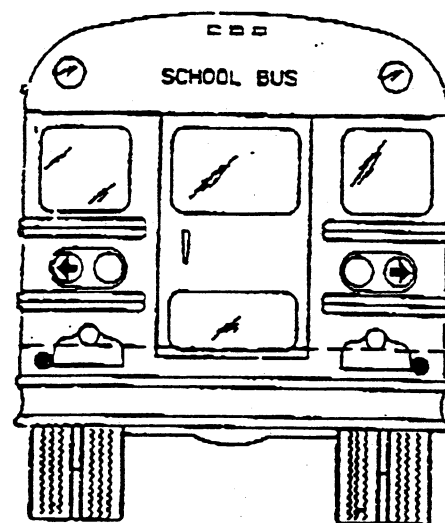
Assigned Driver Name: _____ CDL #: _____

After having inspected the school bus identified above; use the following diagrams to indicate any damages as noted during the inspection. In cases where the diagram does not exactly match the vehicle; identify the approximate location of damages. In either case use the blanks provided to briefly describe the type and severity of damages.

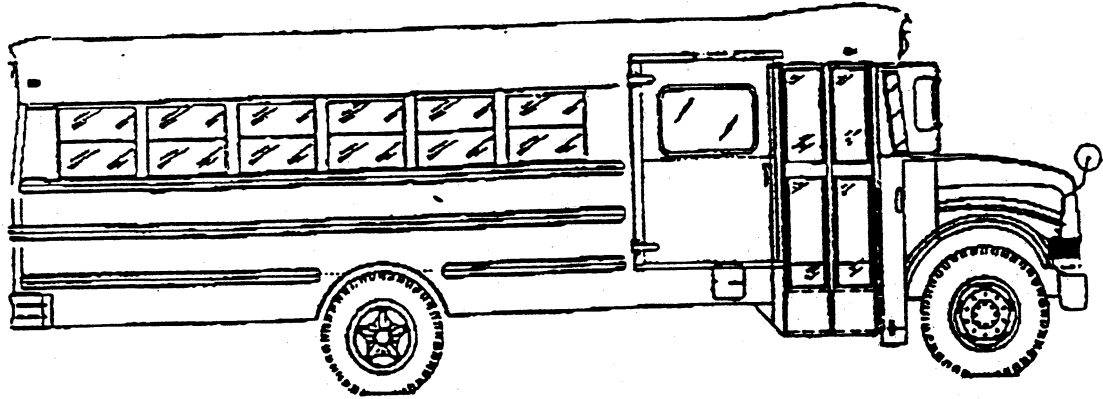
Front View



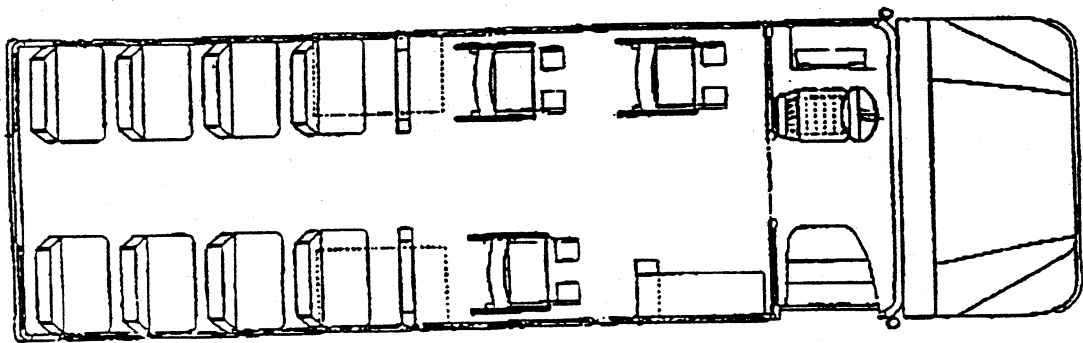
Rear View



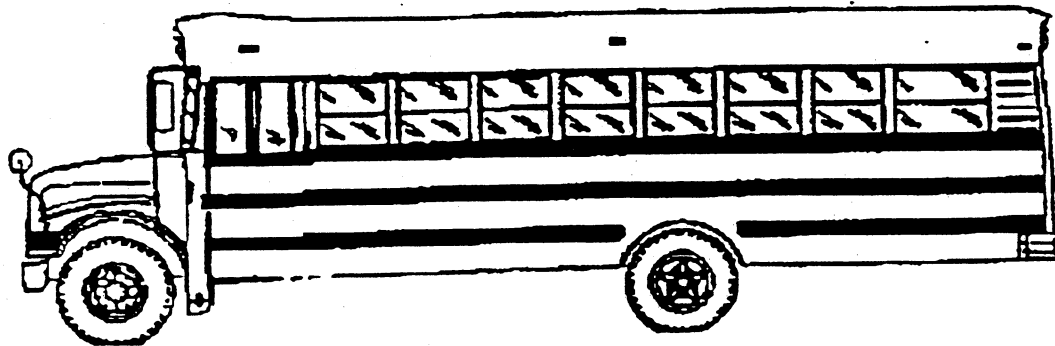
Right Side View



Inside View



Left Side View



South Carolina Department of Education, Transportation

School Bus

Damage Assessment Form

Bus Shop _____

School District _____

School _____

Bus Number _____

Driver _____

Description of Damages _____

Parts Cost				
Part #	Quantity	Description	Unit Cost	Total Cost
			Total Parts	

Labor Cost				
Technician	Hours		Per Hour Cost	Total Cost
			Total Labor	

Total Parts Cost _____

Total Labor Cost _____

Total Assessment Cost _____

County Supervisor _____ Date _____

District Representative _____ Date _____

EXHIBIT "D"

Student Transportation Principal Survey *Circle your District 1, 2, 3, 4, 9, 10, 20, 23*

Month of _____ 2000-01

Please fax to your Area Office & to the Contracts Services Office 566-8147

Principal: _____

School: _____

Person in Charge of Buses: _____

Date: _____

	Never	Always			
Service a.m. and p.m.					
1. My a.m. buses are on time (5 minutes before or after the bell time) Number of buses that are constantly late: _____	1	2	3	4	5
2. My p.m. buses are on time (arrives at least 20 minutes after school) Number of buses that are constantly late: _____	1	2	3	4	5
3. Special Education students do not ride longer than 1 hour and 15 minutes in the a.m.	1	2	3	4	5
4. Special Education students do not ride longer than 1 hour and 15 minutes in the p.m.	1	2	3	4	5
Field Trips					
5. Trip confirmation were sent to us.	1	2	3	4	5
6. Confirmation of trips were received within 3 workdays.	1	2	3	4	5
7. Field trip buses arrive on time.	1	2	3	4	5
8. Drivers remained with the field trip group(s)	1	2	3	4	5
9. Buses have either a permit or a trip sheet on board.	1	2	3	4	5
10. Invoices were sent after the trip was completed.	1	2	3	4	5
11. Invoices are correct.	1	2	3	4	5
Communication					
12. I am notified in a timely manner when there are problems.	1	2	3	4	5
13. First Student handles my concerns in a professional and courteous manner.	1	2	3	4	5
14. I am pleased with First Student's service.	1	2	3	4	5

Comments: (Use additional sheet(s) if necessary.)

Thank you for your help with this survey. Contract Services Office, Bridge View - 566-8142 Telephone

Department of Business Services

Jerry O. Hartley, Director
(843) 566-8190, Fax: 566-1973
email: jerryh@mail.charleston.k12.sc.us

Archives & Records

(843) 566-1111, Fax: 566-8112

Data Processing

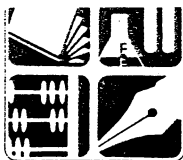
(843) 566-8120, Fax: 745-7188

Food Service

(843) 566-8180, Fax: 529-3920

Supply Management

(843) 566-8138, Fax: 566-1972



CHARLESTON COUNTY
SCHOOL DISTRICT

3999 Bridge View Drive
N. Charleston, SC 29405

Office of Financial Services
Wade W. Hathaway, Officer
(843) 566-8118, Fax: 566-1973

Accounts Payable

(843) 566-8100, Fax: 529-3913

Budgeting

(843) 566-8113, Fax: 529-4928

Payroll

(843) 566-8143, Fax: 566-1983

Pupil Accounting

(843) 566-8182, Fax: 566-8183

TO: Property/Operations Committee

FROM: Jerry O. Hartley
Executive Director of Business Services

SUBJECT: Request for Consideration by Property/Operations Committee

DATE: August 18, 2000

Please include the attached data for review by the Property/Operations Committee:

First Addendum to Agreement to Provide Student Transportation Services

COMMENTS:

This material is submitted for:

☒ ACTION

☐ INFORMATION

REPLY: The Property/Operations Committee reviewed the above document on August 21, 2000. The following action was taken by the Committee:

Recommended: _____ Not Recommended: _____

Delayed Action Until: _____ Other: _____

COMMENTS:

1.4

PROPERTY AND OPERATIONS COMMITTEE

August 21, 2000

TOPIC:

1st Addendum to Agreement to Provide Student Transportation Services

BACKGROUND:

Prior to the award of the student transportation contract to First Student, staff anticipated the need to have a minimum of (39) thirty-nine District owned buses to service the magnet school routes. The District in 1999-2000 ran a total of fifty-three (53) magnet buses, thirty-nine (39) Laidlaw owned and fourteen (14) old SC DOE buses which are loaned to the District at a cost of .80 a mile and fuel. Staff wrote and asked the state to loan the District thirty-nine (39) additional buses until such time as the District purchased and received buses from the manufacturer. On February 17, 2000 staff received a letter from Donald Tudor, Director of SC DOE Office of Transportation stating that the State would transfer buses to the Charleston Shop for use by the Charleston School District on the magnet routes until our buses arrived. The District ordered thirty-nine (39) buses from Thomas Built Buses, Inc. on May 11, 2000. The SC DOE Office of Transportation sent us a letter dated May 24, 2000 stating that they would not be able to provide additional buses to be used on our magnet routes due to the fact that the state expected their new buses to arrive late from the manufacturer. According to Robert Coleman, a Thomas' Representative, there has been a delay in production of the South Carolina and Charleston County School District's buses due to the order for zinc coated steel from Bethlehem Steel in Pennsylvania. This steel makes SC buses more rust resistant than standard buses. Staff negotiated with First Student to use thirty-nine new buses until our buses arrive from the manufacturer. We are requesting this agreement be the 1st Addendum to Contract (P0026) for Student Transportation Services.

STATEMENT OF THE ISSUE

The State does not fund transportation for magnet schools. These thirty-nine (39) buses are needed to transport our magnet school students to school.

ALTERNATIVES:

1. Approve the signing of the 1st Addendum by the Superintendent between Charleston County School District and First Student.
2. Do not approve signing the 1st Addendum by the Superintendent between Charleston County School District and First Student.

RECOMMENDATION:

Approve the signing of the 1st Addendum by the Superintendent between Charleston County School District and First Student.

RATIONALE:

The signing of this 1st Addendum will enable thousands of magnet school students in Charleston County School District to continue to be transported safely to school in an efficient and timely manner until our new buses arrive from Thomas Built Buses.

COST:

Money had been previously set aside in the budget for the maintenance and fuel for CCSD purchased buses. The requested \$41,000 plus ordinary maintenance and fuel will come out of budgeted funds.

DATA SOURCES:

Jerry Hartley
Katie McClure
Alice Paylor Esq.

1ST ADDENDUM TO AGREEMENT TO PROVIDE STUDENT TRANSPORTATION SERVICES

This 1st Addendum to Agreement to Provide Student Transportation Services, entered into and effective this 10th day of August, 2000, by and between the CHARLESTON COUNTY SCHOOL DISTRICT, hereinafter called the District, BRUCE TRANSPORTATION GROUP, INC. (a division of FIRST GROUP OF AMERICA), doing business as FIRST STUDENT, hereinafter called the Contractor, and the SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION, hereinafter called SC-DOE.

WHEREAS, on June 12, 2000, the parties hereto entered into an Agreement to Provide Student Transportation Services under which Contractor agreed to provide bus transportation services for the children attending school in the District; and

WHEREAS, the District has ordered, and intended to have for the first day of school on August 10, 2000, thirty-nine (39) school buses owned by the District for use by the Contractor in providing the necessary bus transportation services for the children attending school in the District; and

WHEREAS, the thirty-nine (39) buses will not be received by the District until at least November of 2000; and

WHEREAS, the District requested that the SC-DOE provide additional buses to the District to cover these thirty-nine (39) buses but the SC-DOE did not have such additional buses available; and

WHEREAS, the Contractor has offered to provide thirty-nine (39) buses owned by the Contractor to meet the needs of the District until the District's buses are available for use;

NOW, THEREFORE, the parties agree, as follows:

1. Contractor shall bring in thirty-nine (39) approved school buses and will insure, license, register and plate those buses for use by the District. Contractor agrees that, during the time these buses are used to transport District students, these buses will not be used for any other purpose. Contractor shall provide these buses to the District for use until such time as the buses purchased by the District are available for use by the District.
2. The District shall pay to the Contractor the total amount of Forty-One Thousand (\$41,000.00) Dollars for the use of these buses. In addition, the District shall pay for ordinary maintenance and fuel usage as if these buses were owned by the District.
3. The SC-DOE shall provide fuel and maintenance services for these buses in accordance with the Agreement entered into between the SC-DOE and the District and Proviso 19.28 to the 1997 Budget Act for the State of South Carolina.

IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

Witnessed:

DISTRICT

Liz Alston

Liz Alston
Board Chairperson

Attest:

Katie McKee

Witnessed:

DISTRICT

CHARLESTON COUNTY SCHOOL

By: Dr. Ronald A. McWhirt

Title: Superintendent

CONTRACTOR

BRUCE TRANSPORTATION GROUP, INC.

By: Breg Walter

Title: Region Vice President

FIRST STUDENT, INC.

By: Breg Walter

Title: Region Vice President

SC-DOE

SOUTH CAROLINA DEPARTMENT OF
EDUCATION

By: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

Witnessed:

DISTRICT
CHARLESTON COUNTY SCHOOL
DISTRICT

By: _____

Title: _____

Attest:

CONTRACTOR
BRUCE TRANSPORTATION GROUP, INC.

Katie Milne

By: Bruce Walter

Title: Region Vice-President

FIRST STUDENT, INC.

By: Bruce Walter

Title: Region Vice-President

Witnessed:

SC-DOE
SOUTH CAROLINA DEPARTMENT OF
EDUCATION

Mamie C. McCampbell

By: Lyn M. Jensen

Title: State Superintendent of Education

**2nd ADDENDUM TO AGREEMENT TO PROVIDE
STUDENT TRANSPORTATION SERVICES**

This 2nd Addendum to Agreement to Provide Student Transportation Services, entered into and effective this ____ day of August, 2000, by and between the CHARLESTON COUNTY SCHOOL DISTRICT, hereinafter called the District, BRUCE TRANSPORTATION GROUP, INC. (a division of FIRST GROUP OF AMERICA), doing business as FIRST STUDENT, hereinafter called the Contractor, and the SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION, hereinafter called SC-DOE.

WHEREAS, on June 12, 2000, the parties hereto entered into an Agreement to Provide Student Transportation Services under which Contractor agreed to provide bus transportation services for the children attending school in the District; and

WHEREAS, the District has determined that it needs transportation services from Contractor in addition to those provided for in the Agreement ;

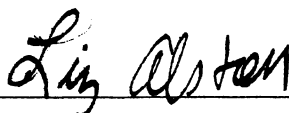
NOW, THEREFORE, the parties agree, as follows:

1. During each school day, Contractor shall arrange to have a minimum of two (2) contractor-owned buses available to take disruptive special education students home should their behavior necessitate their immediate removal from the school setting. This number may be increased or decreased on reasonable notice of the District to the Contractor in writing as justified by the demands for these services.
2. During the first year of the contract, the District shall pay to the Contractor \$172 per day per vehicle. During subsequent years of the contract, this amount will increase a minimum of 2% each year and up to 2.67% should the Contractor be entitled to such increase in the overall compensation. This amount includes all payments for labor and fuel regardless of the number of calls made for these services during a particular day.

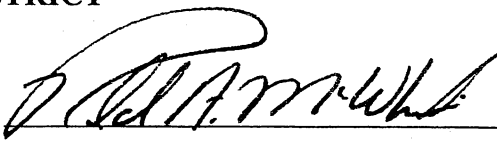
IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

Witnessed:

DISTRICT
CHARLESTON COUNTY SCHOOL
DISTRICT



Liz Alston
Board Chairperson

By: 

Dr. Ronald A. McWhirt
Title: Superintendent

Attest:

Natie Miller

CONTRACTOR

BRUCE TRANSPORTATION GROUP, INC.

By: Greg Walter

Title: Region Vice President

FIRST STUDENT, INC.

By: Greg Walter

Title: Region Vice President

Witnessed:

Namie C. McCampbell

SC-DOE

SOUTH CAROLINA DEPARTMENT OF
EDUCATION

By: Ang M. Jensen

Title: State Superintendent of Education

**3rd ADDENDUM TO AGREEMENT TO PROVIDE
STUDENT TRANSPORTATION SERVICES**

This 3rd Addendum to Agreement to Provide Student Transportation Services, entered into and effective this ____ day of November 2002, by and between the CHARLESTON COUNTY SCHOOL DISTRICT, hereinafter called the District, BRUCE TRANSPORTATION GROUP, INC. (a division of FIRST GROUP OF AMERICA), doing business as FIRST STUDENT, hereinafter called the Contractor, and the SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION, hereinafter called SC-DOE.

WHEREAS, on June 12, 2000, the parties hereto entered into an Agreement to Provide Student Transportation Services under which Contractor agreed to provide bus transportation services for the children attending school in the District; and

WHEREAS, on January 8, 2002, the "No Child Left Behind Act" ("the Act") was signed into law; and

WHEREAS, according to the Act, school districts must provide students in certain schools the option of attending other schools within their district with the school districts assuming the cost of such transportation using a combination of local, state, and federal funds; and

WHEREAS, the District has determined that, if the need should arise in the District for bussing students pursuant to the Act, it will need transportation services from Contractor in addition to those provided for in the Agreement;

NOW, THEREFORE, the parties agree, as follows:

1. During each school day, Contractor shall arrange to provide so many buses as might be requested by District to transport students to schools as required by the Act. The number of buses needed may be increased or decreased on reasonable notice of the District to the Contractor in writing as justified by the demands for these services. Contractor and District shall work together to maximize the efficiency of the extra buses requested under this Addendum.
1. Contractor will separately bill District for the services provided by this Addendum.
1. Unless a different provision has been made in this Addendum, the services provided under this Addendum shall be subject to the terms and conditions of the original Agreement to Provide Student Transportation Services of June 12, 2000.
1. The District shall pay to the Contractor \$168 per day per vehicle. During subsequent years of the contract, this amount will increase a maximum of 2.67% each year. This amount includes all payments for labor and fuel regardless of the number of calls made for these services during a particular day. The amount also includes all maintenance, insurance, and back-up buses.

IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

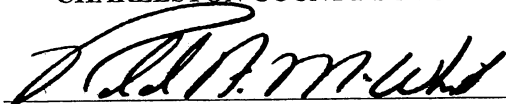
Witnessed:





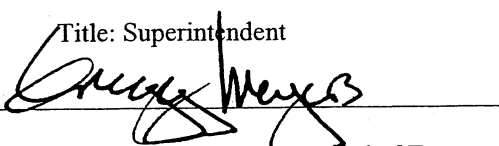
CHARLESTON COUNTY SCHOOL DISTRICT

By:



Title: Superintendent

By:



Title: Chairman of the Board of Trustees

Fredrick M. Harty
General Manager

FIRST STUDENT, INC.

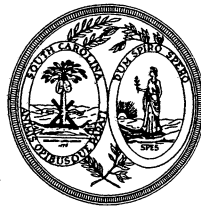
General Manager

Title:

SOUTH CAROLINA DEPARTMENT OF
EDUCATION

By: _____

Title: _____



STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

INEZ MOORE TENENBAUM
STATE SUPERINTENDENT OF EDUCATION

April 17, 2003

RECEIVED
APR 23 2003
CONTRACTS ADMINISTRATOR

Katie McClure
Ancillary Services Officer
Charleston County School District
3999 Bridge View Drive
North Charleston, South Carolina 29405

Dear Ms. McClure:

Doug Hamrick asked that I review the 3rd and 4th Addenda to the *Agreement between Charleston County School District, First Student, Inc. and the S.C. Department of Education*. While the State Department of Education (SDE) is a party to the agreement, we do not believe we should be a party to these addenda.

The SDE has no role or control over the activities covered in either addendum. The 4th Addendum provides a mechanism for the District to purchase school buses from First Students. The SDE does not have any involvement with the procurement of school buses by school districts. Since we have no role in that area, we have no desire to be a party to that addendum. In addition, the 3rd Addendum governs student transportation that may be required under *No Child Left Behind* and addresses First Student's providing additional buses at a negotiated rate of \$168 per day for each additional bus. Since state owned buses are not subject to the 3rd Addendum, the SDE should likewise not be a party to that addendum.

I am sure that you understand that the District must still adhere to all applicable state and federal laws and regulations regarding the transportation of students and use of school buses. Additionally, the district would be required to follow its procurement policies in the purchase of school buses.

We appreciate your sending the addenda to us for our review, as some changes to the contract would certainly need our approval; however, we do not want to approve arrangements that are outside of our control or authority. We do recommend that this letter be attached to the addenda in lieu of the SDE signature on each addendum. If you have any questions, please feel free to contact me at 803-734-8783.

With best regards, I am

Very truly yours,

Shelly Bezanson Kelly
Deputy General Counsel

cc: Inez M. Tenenbaum
Donald Tudor
Doug Hamrick

**4th ADDENDUM TO AGREEMENT TO PROVIDE
STUDENT TRANSPORTATION SERVICES**

This is the 4th Addendum to Agreement to Provide Student Transportation Services, entered into and effective this ____ day of November 2002, by and between the CHARLESTON COUNTY SCHOOL DISTRICT, hereinafter called the District, BRUCE TRANSPORTATION GROUP, INC. (a division of FIRST GROUP OF AMERICA), doing business as FIRST STUDENT, hereinafter called the Contractor, and the SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION, hereinafter called SC-DOE.

WHEREAS, on June 12, 2000, the parties hereto entered into an Agreement to Provide Student Transportation Services under which Contractor agreed to provide bus transportation services for the children attending school in the District; and

WHEREAS, the District has determined that it needs reliable transportation services from Contractor in addition to those provided for in the Agreement; and

WHEREAS, Contractor does, from time to time, offer for sale some of its fleet of used school buses; and

WHEREAS, the District is interested in potentially purchasing some or all of its needed buses to be used for those routes for which it provides its own buses from Contractor,

WHEREAS, the District, from time to time, desires to remove certain buses from its own fleet of vehicles;

NOW, THEREFORE, the parties agree, as follows:

1. The District will, upon notice that it has a need for additional school buses, consider any offers from Contractor to sell surplus used buses to the District.
1. The District will, upon determining that it desires to retire certain buses from its own fleet of vehicles, notify Contractor of its intent.
1. The District is authorized, but not obligated, to purchase used buses from Contractor.
1. The District is authorized, but not obligated, to sell its own used buses to Contractor.
1. The terms of this agreement shall be construed as liberally in favor of giving District discretion in the purchase of additional buses as possible but shall not grant any party any rights in conflict with the Procurement Code adopted by the District.

IN WITNESS WHEREOF, the parties hereto being duly authorized, execute this Agreement, intending to be legally bound hereby, the day and year first above written.

Witnessed:

Portia Stone

CHARLESTON COUNTY SCHOOL DISTRICT

By:

Robert M. White

Title: Superintendent

By:

Portia Stone

Gregg Meyers

Title: Chairman of the Board of Trustees

FIRST STUDENT, INC.

By:

Fredrick M. Heath
General Counsel

Title:

General Manager

SOUTH CAROLINA DEPARTMENT OF
EDUCATION

By:

Title:
